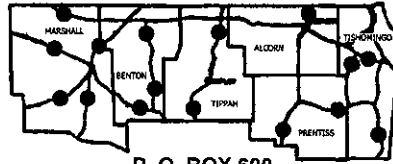


NORTHEAST MISSISSIPPI
PLANNING & DEVELOPMENT DISTRICT



P. O. BOX 600
BOONEVILLE, MS 38829

Donna Hester
Loan Officer
NEMPDD: 662.728.6248
Fax: 662.728.2417
E-Mail: dhester@nempdd.com

Northeast MS Planning & Development District is an equal opportunity employer and lender.

RLF Micro Loan Fee Schedule

- \$100 - A non-refundable application fee must be paid upon submission of the micro loan application
- Loan processing fees are as follows and are due at the date of loan closing**
- MBE-Micro
\$100 for loan requests up to \$10,000 or
1% of loan amount for loan requests \$10,001 - \$35,000
- MBE 1% of loan amount up to \$100,000
plus ½ % > \$100,000
- ARC, EDA, & MSBA & IRP 1% of loan amount
- Attorney fees and all other fees associated with the loan closing are the responsibility of the Applicant(s), not the NEMPDD

Deadline for this application to be completed and submitted to the NEMPDD office is 3:00 p.m. on

_____ which is two weeks prior to the next RLF Committee Meeting on _____.

The RLF Committee meets in the 2nd week of every other month, beginning in January.

NEMPDD RLF APPLICATION PROCESS

1. Initial interview and/or pre-app submitted.
2. Staff reviews pre-app and if project meets NEMPDD's guidelines, an RLF application and applicable documentation is requested.
3. Review by RLF Review Committee/Review by RLF Committee.
4. Applicant notified in writing of NEMPDD RLF Review/RLF Committee decision.
5. Upon approval, a commitment letter is issued by NEMPDD.
6. If construction is involved, the applicant will secure a construction loan from a lending institution.
7. Upon completion of the construction and business is ready for operation, the loan is sent to the NEMPDD's attorney to begin the closing process.
8. The applicant's attorney is notified and prepares the closing documents.
9. Once all the necessary documentation is secured and approved by the district's attorney, a closing date is set.
10. Once the loan is closed, payments normally begin 30 days after closing, or the nearest first of the month, given the applicant has at least 30 days from the closing date.

The NEMPDD RLF Committees generally meet every other month, beginning in January of each year.

**MINORITY BUSINESS ENTERPRISE
MICRO LOAN PROGRAM**

APPLICATION PACKAGE

GUIDELINES AND ELIGIBILITY REQUIREMENTS FOR THE MINORITY BUSINESS ENTERPRISE LOAN PROGRAM (MBELP)

Purpose and Regulatory Authority	<p>The MBELP is designed for the purpose of providing loans to socially and economically disadvantaged minority or women owned small businesses.</p> <p>Pursuant to the Mississippi Code of 1972 as amended at § 69-2-13(4), the MBELP is administered by the Mississippi Business Finance Corporation, Post Office Box 849, Jackson, Mississippi, 39205.</p>
General Eligibility Requirements	<p>To be eligible for assistance, the business enterprise must be a socially and economically disadvantaged small business concern. The business must be organized for profit and perform a commercially useful function. The ownership and daily management of the business must be at least 60% minority or female. At least 50% of the ownership must be by Mississippi residents. Applicants must be creditworthy.</p>
Loan Criteria	<p>Loan proceeds may be used for the start up or expansion of a minority owned business and may be used to purchase fixed assets or inventory or to provide working capital. MBELP funds may be used to finance up to 50% of the total project costs or \$100,000 whichever is less. Other funding sources must be secured to cover the remaining project costs. The applicant must have at least 5 % tangible equity in the project.</p> <p>The maximum interest rate which may be charged is 2% above the Federal Reserve Discount rate and is fixed for the life of the loan. The terms of repayment relate to the use of proceeds and the type of collateral offered, but may not exceed 15 years.</p> <p>Adequate collateral must be pledged to secure the loan. Appropriate insurance and personal guaranties will be required.</p>
Restrictions	<p>Minority businesses that are not eligible to participate in the program include charitable or non-profit enterprises, forms of media through which editorial opinions may be expressed, or businesses engaged in lending, directly or indirectly.</p> <p>Loan proceeds may not be used for debt consolidation purposes, to finance property held primarily for sale or investment, to provide funds for speculation in any kind of property, or as loans to owners or stockholders of the business.</p>
<hr/> <p>SIGNATURE OF APPLICANT _____ DATE _____</p>	

MINORITY BUSINESS ENTERPRISE MICRO-LOAN APPLICATION

1. APPLICANT INFORMATION (Type or Print)

NAME OF MINORITY BUSINESS		DATE OF APPLICATION	
STREET	CITY	COUNTY	
STATE	ZIP	PHONE NO.	
DESCRIPTION OF BUSINESS			
<input type="checkbox"/> EXISTING BUSINESS Date Established ____	<input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Corporation <input type="checkbox"/> Other	FEDERAL TAX I.D. # _____	EMPLOYMENT INFORMATION CURRENT NUMBER OF EMPLOYEES ____ NUMBER OF JOBS CREATED ____
<input type="checkbox"/> NEW BUSINESS			

2. LIST OF OWNERSHIP

NAME	ADDRESS	SSN	% OWNED	SEX	RACE	ANNUAL INCOME (all sources)

SUMMARY OF OWNER'S EXPERIENCE

s. LOAN INFORMATION

PURPOSE OF LOAN/PROJECT SUMMARY		
LOAN AMOUNT REQUESTED \$ _____	BORROWER'S INJECTION \$ _____	TERMS OF REPAYMENT _____ MONTHS MONTHLY PAYMENT AMOUNT \$ _____
SOURCES AND USES OF PROCEEDS	MBE LOAN AMOUNT	OWNER INJECTION
TOTAL		

4. COLLATERAL - List by category i.e M&E, F&F, Real Estate, Inventory

COLLATERAL	COST/BOOK VALUE	APPRAISED VALUE	PRIOR LIENS
TOTALS			

5. FINANCIAL INFORMATION

For existing businesses, provide 2 years prior financial information. For new businesses, provide 1st and 2nd year projections.

PROFIT & LOSS	20__	20__	PROJECTED	YEAR I	YEAR 2
SALES/REVENUE					
COST OF GOODS SOLD					
OPERATING EXPENSES					
NET PROFIT	0.00				
ADD DEPRECIATION & INTEREST					
FUNDS AVAILABLE FOR DEBT SERVICE	0.00				

6. RECOMMENDED INFORMATION RETAINED BY QUALIFIED ENTITY (check items obtained)

- | | |
|---|--|
| <input type="checkbox"/> Project Narrative or Business Plan | <input type="checkbox"/> Cost Estimates |
| <input type="checkbox"/> Resumes | <input type="checkbox"/> Financial Statements or tax returns |
| <input type="checkbox"/> Loan Committee/Board Minutes | <input type="checkbox"/> 2 years prior (existing business) |
| | <input type="checkbox"/> 2 years projected (new business) |

7. REQUIRED ATTACHMENTS TO APPLICATION

- Current Credit Report
- Personal Financial Statement

8. CERTIFICATION

Under the penalties of perjury, I declare that all information contained above and in exhibits attached hereto is true and complete to the best of my knowledge.

BY: _____
BORROWER'S SIGNATURE

DATE: _____

Northeast Mississippi Planning & Development District
NAME OF QUALIFIED ENTITY

AUTHORIZED SIGNATURE

DATE: _____

Funds for this loan program are authorized pursuant to Mississippi Code § 69-2-13(4). The Mississippi Business Finance Corporation is authorized by the Legislature to oversee the Minority Business Enterprise Loan Program. Comments or questions regarding the program may be addressed to the Mississippi Business Finance Corporation, Post Office Box 849, Jackson, MS, 39205

CREDIT CONSENT FORM

The Northeast MS Planning & Development District is hereby authorized to obtain credit information deemed necessary in its evaluation of a proposed loan. The credit report will remain on file for the life of the loan. As a part of the application, certain state agencies, federal agencies or participating organizations may require a copy of the applicant's credit report. The undersigned acknowledges and authorizes the Planning and Development District or Qualified Entity to obtain credit information and provide this information to the appropriate agencies as may be required as part the application process.

Signed this the _____ day of _____ 20 ____.

Name of Borrower: _____

Home Address: _____

Social Security Number: _____

Date of Birth: _____

Signature of Borrower: _____

CONFLICT OF INTEREST STATEMENT

A member of the Qualified Entity's board of directors, employees of the Qualified Entity or their immediate family members are ineligible for assistance under this program. Immediate family members are defined as a spouse, parent, child or sibling of the applicant. To be eligible for funding, former board members or employees must have vacated their position with the Qualified Entity no less than twelve (12) months prior to applying for assistance. The undersigned certifies that he or she is not aware that any conflict of interest exists.

Signature of Applicant

Date

STATEMENT OF NON-DISCRIMINATION

The undersigned certifies that he or she will not engage in discrimination against any employee or applicant for employment because of race, religion, color, national origin, sex or age.

Signature of Applicant

Date

LOAN CONDITIONS

Businesses assisted by the Northeast Mississippi Planning and Development District Revolving Loan Fund are subject to the following federal regulations: (where applicable)

1) Federal Regulations

- a) The purpose of the RLF is to support business activities for which credit is not otherwise available on terms and conditions which would permit completion and/or the successful operation of the project in the following eligible areas: Alcorn, Benton, Marshall, Prentiss, Tippah and Tishomingo Counties, Mississippi.
- b) The **Borrower** must agree to comply with Title VI of the Civil Rights Act of 1964, as amended (42 USC 2000d - 2000d 4), the requirements imposed by or pursuant to Regulations, issued for the Department of Commerce and designated as 15 CFR Subtitle A Part 8, and any amendments thereto.
- c) The **Borrower** must agree to comply with Title III of the Americans with Disabilities Act of 1990, Public Law 101-336, which prohibits discrimination on the basis of disability by private entities in places of public accommodation.
- d) The **Borrower** must agree to comply with the provisions of Section 112 of Public Law 92-65 (42 USC 3123), the requirements imposed by or pursuant to the Regulations of the Economic Development Administration promulgated in 13 CFR Part 311 (as amended by the April 1979 EDA Civil Rights Guidelines, and any amendments thereto.
- e) The **Borrower** must also comply with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794) and the Age Discrimination Act of 1975 (42 U.S.C. Section 6101 et. Seq.) Such requirements hold that no person in the United States shall on the ground of race, color, national origin, sex, handicap or age be excluded from participation in, be denied the benefits of, or be

otherwise subjected to discrimination under any program or activity for which federal financial assistance has been extended.

- f) RLF projects are subject to environmental review under the National Environmental Policy Act of 1909, as amended, 42 USC 4321 - 4370; CFR 309.18.
- g) Any adverse impact identified in this environmental review must be mitigated. Other environmental statutes and regulations which apply include:
 - i) 42 USC 9601 - 9657;
 - ii) Federal Water Pollution Control Act, as amended, 33 USC 1251-1376;
 - iii) National Historic Preservation Act of 1966, 16 USC 470-410W6;
 - iv) Wild and Scenic Rivers Act of 1973, as amended, 42 USC 4001-4128;
 - v) Clean Air Act, as amended, 42 USC 7401-7620;
 - vi) Flood Disaster Protection Act of 1973, as amended, 42 USC 4001-4128;
 - vii) Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 USC 9001-9687;
 - viii) Presidential Executive Order No. 11988, Floodplain Management; and
 - ix) Presidential Executive Order No. 11990, Wetlands Protection.
- h) Any adverse impact identified in this environmental review must be mitigated. Adverse impacts and required mitigation measures for this project are as follows:
 - i) The business operation assisted through this loan must be located in Alcorn, Benton, Marshall, Prentiss, Tippah or Tishomingo County, Mississippi. Loan assistance is subject to recall if the project activity is moved from the eligible area. The Economic Development Administration and the Appalachian Regional Commission are prohibited from providing funds which will have the effect of assisting an employer in moving jobs from one commuting area to another commuting area. An expansion of an existing business to a new location may be assisted if such an expansion will not cause unemployment in other areas where the business conducts

operations. **Borrower** certifies and assures that it will comply with EDA's nonrelocation regulations at 13 CFR 309.3.

- j) A hazard insurance policy and paid receipt for one year's premium showing Northeast Mississippi Planning and Development District as the mortgagee must be provided and maintained on all property used to secure this loan. Insurance coverage must include flood hazard coverage if the property is located within a designated flood hazard area.
 - k) A life insurance policy and paid receipt for one year's premium showing Northeast Mississippi Planning and Development District as collateral assignee or beneficiary must be provided and maintained on all principals owning 20% or more throughout the life of all loans over \$35,000.
 - l) Any construction financed with RLF assistance must be accessible to the handicapped as specified in the Architectural Barriers Act of 1954, as amended, 42 USC 4151-4157; 13 CFR 309.14, and must meet the requirements of the Davis-Bacon Act, as amended (40 USC 276a-276a.5).
- 2) The **Borrower** must certify that no one who owns an interest in the entity to be assisted with loan funds is related by blood, marriage, domestic partner, significant other, distant relative that lives in the same household as the Borrower, law or business arrangement to any officer, director, or employee of Northeast Mississippi Planning and Development District.
 - 3) The **Borrower** must be credit worthy and demonstrate the ability to repay the loan, must be in compliance with all state and federal regulatory agencies, and must not be in default on any previous debt or obligation with the state or federal government.
 - 4) The **Borrower** must provide annual operation statements for the business within 30 days of the end of **Borrower's** fiscal year, to respond semiannually to the District's request for information on total number of employees, and to cooperate with District activities to monitor compliance with the requirements and regulations in this agreement.

- 5) The **Borrower** must provide Lender with all necessary proof of business organization (i.e. Articles of Incorporation, Limited Partnership Agreement, Partnership Agreement, etc.)
- 6) The **Borrower** must provide Lender with all necessary corporate resolutions required at loan closing as well as an attorney's opinion letter certifying to the validity of the corporate acts. In addition, the Lender will be provided, at **Borrower's** expense, an Attorney's Certificate of Title on any real property taken as collateral and a ten (10) year lien search on any personal property or equipment taken as collateral.
- 7) The **Borrower** must provide to Lender an Owner's and/or Contractor's Affidavit.
- 8) The **Borrower** shall execute all required loan closing documents including, but not limited to, Deeds of Trust, Promissory Notes, Security Agreements, UCC-1 Financing Statements, Personal Guaranties, and any and all other documents required by Northeast Mississippi Planning and Development District to properly secure their indebtedness.
- 9) The **Borrower** acknowledges and understands that Northeast Mississippi Planning and Development District will obtain credit reports and may provide this information to the required agencies as part of the loan application.

I hereby certify that I have read the foregoing loan conditions and understand that compliance with all terms will be required if this application is approved.

Applicant's Signature _____

Date _____

Co-Applicant Signature _____

Date _____



PERSONAL FINANCIAL STATEMENT

U.S. SMALL BUSINESS ADMINISTRATION

As of _____, _____

Complete this form for: (1) each proprietor; or (2) each limited partner who owns 20% or more interest and each general partner, or (3) each stockholder owning 20% or more of voting stock, or (4) any person or entity providing a guaranty on the loan.

Name	Business Phone
Residence Address	Residence Phone
City, State, & Zip Code	
Business Name of Applicant/Borrower	

ASSETS	(Omit Cents)	LIABILITIES	(Omit Cents)
Cash on hand & in Banks	\$ _____	Accounts Payable	\$ _____
Savings Accounts	\$ _____	Notes Payable to Banks and Others	\$ _____
IRA or Other Retirement Account	\$ _____	(Describe in Section 2)	
Accounts & Notes Receivable	\$ _____	Installment Account (Auto)	\$ _____
Life Insurance-Cash Surrender Value Only	\$ _____	Mo. Payments \$ _____	
(Complete Section 8)		Installment Account (Other)	\$ _____
Stocks and Bonds	\$ _____	Mo. Payments \$ _____	
(Describe in Section 3)		Loan on Life Insurance	\$ _____
Real Estate	\$ _____	Mortgages on Real Estate	\$ _____
(Describe in Section 4)		(Describe in Section 4)	
Automobile-Present Value	\$ _____	Unpaid Taxes	\$ _____
Other Personal Property	\$ _____	(Describe in Section 6)	
(Describe in Section 5)		Other Liabilities	\$ _____
Other Assets	\$ _____	(Describe in Section 7)	
(Describe in Section 5)		Total Liabilities	\$ _____
Total	\$ _____	Net Worth	\$ _____
		Total	\$ _____

Section 1. Source of Income	Contingent Liabilities
Salary	As Endorser or Co-Maker
Net Investment Income	Legal Claims & Judgments
Real Estate Income	Provision for Federal Income Tax
Other Income (Describe below)*	Other Special Debt

Description of Other Income in Section 1.

*Alimony or child support payments need not be disclosed in "Other Income" unless it is desired to have such payments counted toward total income.

Section 2. Notes Payable to Banks and Others. (Use attachments if necessary. Each attachment must be identified as a part of this statement and signed.)

Name and Address of Noteholder(s)	Original Balance	Current Balance	Payment Amount	Frequency (monthly, etc.)	How Secured or Endorsed Type of Collateral

Section 3. Stocks and Bonds. (Use attachments if necessary. Each attachment must be identified as a part of this statement and signed).

Number of Shares	Name of Securities	Cost	Market Value Quotation/Exchange	Date of Quotation/Exchange	Total Value

Section 4. Real Estate Owned. (List each parcel separately. Use attachment if necessary. Each attachment must be identified as a part of this statement and signed.)

	Property A	Property B	Property C
Type of Property			
Address			
Date Purchased			
Original Cost			
Present Market Value			
Name & Address of Mortgage Holder			
Mortgage Account Number			
Mortgage Balance			
Amount of Payment per Month/Year			
Status of Mortgage			

Section 5. Other Personal Property and Other Assets. (Describe, and if any is pledged as security, state name and address of lien holder, amount of lien, terms of payment and if delinquent, describe delinquency)

Section 6. Unpaid Taxes. (Describe in detail, as to type, to whom payable, when due, amount, and to what property, if any, a tax lien attaches.)

Section 7. Other Liabilities. (Describe in detail.)

Section 8. Life Insurance Held. (Give face amount and cash surrender value of policies - name of insurance company and beneficiaries)

I authorize SBA/Lender to make inquiries as necessary to verify the accuracy of the statements made and to determine my creditworthiness. I certify the above and the statements contained in the attachments are true and accurate as of the stated date(s). These statements are made for the purpose of either obtaining a loan or guaranteeing a loan. I understand FALSE statements may result in forfeiture of benefits and possible prosecution by the U.S. Attorney General (Reference 18 U.S.C. 1001).

Signature: _____ Date: _____ Social Security Number: _____

Signature: _____ Date: _____ Social Security Number: _____

PLEASE NOTE: The estimated average burden hours for the completion of this form is 1.5 hours per response. If you have questions or comments concerning this estimate or any other aspect of this information, please contact Chief, Administrative Branch, U.S. Small Business Administration, Washington, D.C. 20418, and Clearance Officer, Paper Reduction Project (3245-0188), Office of Management and Budget, Washington, D.C. 20503. PLEASE DO NOT SEND FORMS TO OMB.

Credit Application

By: _____

Inquiry #: _____

The Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of sex or marital status. The federal agency which administers compliance with this law is the Federal Trade Commission.

Applicant(s)			
Last Name	First	Middle	S u ffix
SS -Number	DOB	Home Phone:	Cell Phone:
Spouse Last Name	Spouse First Name	Spouse Middle	
Spouse SS Number	DOB	Home Phone:	Cell Phone:
Current Address			
Address			
City	ST	Zip	
Former Address			
Address			
City	ST	Zip	
Subject Property			
House Number	Street Name	Type	
City	ST	Zip	
Employment Information			
Applicant's Employer	Occupation		
City	State and Zip		
<p><i>I have read this application and certify that the above statements are true and complete to the best of my knowledge. I hereby authorize the Northeast MS Planning & Development District to check my credit references, verify my employment, and provide credit information arising from this transaction to others who are legally entitled to receive it. I further hereby authorize NEMPDD to report my credit activity to the credit bureau and understand that by executing this application, I am so authorizing the release of that information by NEMPDD.</i></p>			
Applicant's Signature	Date	Spouse's Signature	Date

MICRO LOAN APPLICATION CHECKLIST

As an essential part of the application process, applicants must provide the information listed below. Use this checklist as a guide in preparing to make application for a loan. Other information may be required on a specific project basis. If you need assistance in preparing this information, ask your Qualified Entity about the nearest Small Business Development Center (SBDC). The SBDC may be able to assist you in preparing these necessary forms. *

- _____ Business plan or company history (If the applicant is a new business, provide a detailed description of the proposed business. If the applicant is an existing business, provide a history of the business and the basis for the expansion)

- _____ Company financial statements for the previous three years including balance sheets, income statements, or federal tax returns. If the applicant is a new business, provide two years' projected balance sheets, income statements, and cash flow statements.

- _____ Current personal financial statement of each principal with 20% or more ownership of the business. Joint personal financial statements are required, when applicable. The past three years of complete income tax returns are required.

- _____ Resume of principals and key management personnel.

- _____ Breakdown of costs associated with the purchase of land, buildings, machinery, equipment, furniture, fixtures, inventory and renovations.

- _____ Description of owner equity in the project.

- _____ Description of collateral offered.

- _____ Current credit report of each owner or guarantor. (*To be obtained by the Qualified Entity*)

- _____ Legible photocopy of drivers' license.

* Mississippi Small Business Development Centers are located throughout the state. Check their website at <http://www.mssbdc.org/> for the location nearest you or call 1-800-725-7232 (Mississippi toll free only) for more information.

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